

Resolution No.:	<u>16-1279</u>
Introduced:	<u>March 9, 2010</u>
Adopted:	<u>March 9, 2010</u>

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Approval of Executive Regulation 28-09, Amendments to Montgomery County Personnel Regulations, Gain Sharing Program and Performance-Based Pay for MLS Employees

**Background**

1. On February 18, 2010, the County Council received Executive Regulation 28-09 to amend Section 10 of the 2001 Personnel Regulations to provide that any decision by the Review Panel or the Chief Administrative Officer relating to the Rewarding Excellence Bonus Incentive Award Program ("Gain Sharing Program") cannot be grieved or appealed.
2. Executive Regulation 28-09 also clarifies that an MLS employee with merit system status who received a performance rating of "Below Expectations" is not eligible for performance-based pay but receives the general wage adjustment awarded to other unrepresented employees and that an employee on the general salary schedule who received a performance rating of "Below Expectations" is not eligible to receive a performance based pay award.
3. Executive Regulation 28-09 is processed under Method 2 and takes effect upon adoption of the Council resolution approving it or on a later date specified in the regulation.
4. The Management and Fiscal Policy Committee reviewed Executive Regulation 28-09 on February 24, 2010 and unanimously recommended approval.

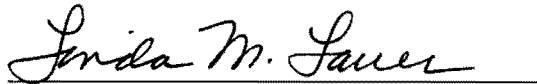
**Action**

The County Council for Montgomery County, Maryland approves the following resolution:

Executive Regulation 28-09, to amend Section 10 of the 2001 Personnel Regulations to provide that any decision by the Review Panel or the Chief Administrative

Officer relating to the Rewarding Excellence Bonus Incentive Award Program ("Gain Sharing Program") cannot be grieved or appealed and to clarify that a general salary schedule employee or an MLS employee with merit system status who received a performance rating of "Below Expectations" is not eligible to receive a performance based pay award, is approved.

This is a correct copy of Council action.

A handwritten signature in cursive script, reading "Linda M. Lauer", is written over a horizontal line.

Linda M. Lauer, Clerk of the Council



# MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

<b>Subject</b>	Gain Sharing program and Performance-Based Pay for MLS Employees	<b>Number</b>	28-09
<b>Originating Department</b>	Office of Human Resources	<b>Effective Date</b>	March 9, 2010

## Gain Sharing Program and Performance-Based Pay for MLS Employees

Executive Regulation No. 28-09

Issued by: County Executive

Supersedes: Executive Regulation No. 23-07AM, in part

Authority: Montgomery County Code, 2004, §33-7(b)

Council review: Method 1

*Montgomery County Register* Volume 27, Issue 1

Comment deadline: January 31, 2010

Effective date: March 9, 2010

**Summary:** This regulation amends Section 10 of the 2001 Montgomery County Personnel Regulations to provide that any decision by the Review Panel or the Chief Administrative Officer relating to the Rewarding Excellence Bonus Incentive Awards Program ("Gain Sharing Program") cannot be grieved or appealed. The regulation also clarifies that an MLS employee with merit system status who receives a performance rating of "Below Expectations" is not eligible for performance-based pay but receives the general wage adjustment awarded to other unrepresented employees. In addition, the regulation makes clear that an employee on the general salary schedule who receives a performance rating of "Below Expectations" is not eligible to receive a performance-based pay award.

**Address for comments** Office of Human Resources, Executive Office Building, 7th Floor  
101 Monroe Street, Rockville, Maryland 20850

**Staff contact:** Stuart Weisberg, 240-777-5051, or [stuart.weisberg@montgomerycountymd.gov](mailto:stuart.weisberg@montgomerycountymd.gov)

Please use the key below when reading this regulation:

**Boldface**

\* \* \*

*Heading or defined term.*

*Existing language unchanged by executive regulation.*



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<b>Subject</b>	<b>Number</b>
Gain Sharing program and Performance-Based Pay for MLS Employees	28-09
<b>Originating Department</b>	<b>Effective Date</b>
Office of Human Resources	

## SECTION 10. EMPLOYEE COMPENSATION

\* \* \*

### 10-10. Performance-based pay.

- (a) **Performance-based pay for MLS employees.** An MLS employee is not eligible to receive service increments, but may receive performance-based pay as described in this subsection.

(1) **Eligibility for general wage adjustment.**

- (A) **Career employee.** An MLS employee with merit system status who receives a performance rating of *Below Expectations*, *Successful Performance*, *Highly Successful Performance*, or *Exceptional Performance* for the prior review period receives the general wage adjustment awarded to other unrepresented County employees during the current fiscal year. An employee with a rating of *Does Not Meet Expectations* for the prior review period does not receive the general wage adjustment for the current fiscal year.

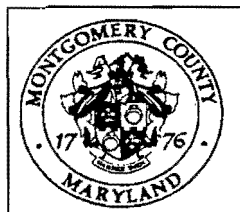
\* \* \*

(2) **Eligibility for performance-based pay.**

\* \* \*

(C) **Eligibility based on performance rating.**

- (i) An employee with a performance rating of *Successful Performance*, *Highly Successful Performance*, or *Exceptional Performance* is eligible to receive



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performance-based pay as indicated in the table below.  
However, the salary of an employee who receives an addition to base salary award must not exceed the maximum of the assigned pay band.

Eligibility for Performance-Based Pay for MLS Employees*			
Overall performance rating:	If employee's salary is below 90 percent of pay band	If employee's salary is at or above 90 percent of pay band	If employee's salary is at top of pay band
<b>Exceptional Performance</b>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 6 percent of base salary.	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 4 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 4 percent of base salary.
<b>Highly Successful Performance</b>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 4 percent of base salary.	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 3.5 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 3.5 percent of base salary.
<b>Successful Performance</b>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base	Employee is eligible for a lump-sum award not to exceed 2 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 2 percent of base salary.



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	salary and lump-sum award must not exceed 3.5 percent of base salary.		
<b>Below Expectations</b>	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.
<b>Does Not Meet Expectations</b>	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.
* An MLS employee receives the general wage adjustment granted to other non-bargaining unit employees unless the employee's overall performance rating was <i>Does Not Meet Expectations</i> .			

\* \* \*

- (b) ***Performance-based pay for employees on the general salary schedule.*** An employee whose position is on the general salary schedule may be eligible to receive a lump-sum performance-based pay award as described in this subsection.

- (1) ***Eligibility for performance-based pay.***

\* \* \*

- (2) ***Eligibility based on performance rating.***

- (A) An employee with a performance rating of *Exceptional Performance* or *Highly Successful Performance* for a review period of not less than 6 months will receive a lump-sum award as indicated in the table below unless the employee receives a twenty-



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year longevity/performance increment under Section 12-9 for the same annual overall rating.

Eligibility for Performance-Based Pay for Employees on the General Salary Schedule	
Overall performance rating:	Employee receives:
<i>Exceptional Performance</i>	A lump-sum award of 2 percent of base salary
<i>Highly Successful Performance</i>	A lump-sum award of 1 percent of base salary
<i>Successful Performance</i>	No additional pay
<i>Below Expectations</i>	No additional pay
<i>Does Not Meet Expectations</i>	No additional pay


\* \* \*

**10-20. Gain Sharing Program.** The CAO should establish a gain sharing program to reward employees for making suggestions that improve efficiency, increase productivity, reduce costs, or streamline operations. Under this program, if the employees' suggestion is adopted, the employees would receive a portion of the cost savings. An employee cannot grieve or appeal any decision by the Review Panel or the Chief Administrative Officer relating to the Rewarding Excellence Bonus Incentive Awards Program.

Approved:   
Istah Leggett, County Executive

Feb 19, 2010  
Date

Approved as to form and legality:

  
Office of the County Attorney

12/11/09  
Date